



**SAFCEC**

QUALITY SERVICE



# Contracts

THE SOUTH AFRICAN FEDERATION OF CIVIL ENGINEERING CONTRACTORS

# INTRODUCTION



## Topics

- Role and function of civil engineering contractors and their ability to deliver on current Infrastructure development and maintenance goals
- Ability of SAFCEC members to assist with capacity building, skills training and the Transformation and empowerment agenda



## SAFCEC

**The South African Federation of Civil Engineering Contractors (SAFCEC) was founded in 1939 to encourage, promote, and protect its civil engineering contracting members.**



## SAFCEC

**SAFCEC is registered as an Employers Organisation constituted in terms of the Labour Relations Act, 1995 SS 95-111 on 11 November 1996. As such it is a “not for gain” federation registered by the Registrar at the Department of Labour.**

**The organisation is managed in accordance with sound, sustainable financial and government principles.**



## SAFCEC - cont

**Its vision is to be the leading construction industry representative employers body in South Africa.**



**SAFCEC has designed appropriate measures to assist its members with the implementation of the Construction scorecard and PPPFA.**

**It provides enterprise development platforms and assists in facilitating the development and growth of black-owned organisations.**

**SAFCEC is deeply committed to skills development and training, with the overarching objective being to build a pool of qualified and skilled individuals and employees.**

**Through training and mentoring, SAFCEC believes it can accelerate transformation in the industry.**

## Today's Topics

### Background

**We as a nation needs to upgrade our infrastructure and in so doing create jobs for the people.**

**The challenges in achieving this are enormous but possible if we all work together as we did for the World Cup.**

**Numerous people both in South Africa and beyond said we never had a hope of ever achieving FIFA'S requirements even to the extent an alternative venue was investigated.**



**In spite of all of this we did it.**



**Let us go back a little – there is no infrastructure throughout the world that does not involve Civil Engineering.**

**This country has always been blessed with very competent civil engineers, both designers and contractors.**

**Unfortunately the vast majority of the population does not understand the role of the civil engineer.**

**Civil Engineering was around long before mining**

**The first construction contracts were for civil engineering and go back more than 200 hundred years.**

**I could go on about the importance of Civil Engineering but I won't so let's look at the current situation.**

## **First topic**

***The role and function of civil engineering contractors and their ability to deliver on current Infrastructure development and maintenance goals***

**This has already been proved by the track record of what the Civil Industry has produced over the last few years – GFIP Programme, Stadiums and other infrastructure necessary for the success of the “most successful” world cup of all time!!!!**

**THE INDUSTRY HAS THE CAPABILITY AND  
RESOURCES TO MEET ALMOST ANY  
CHALLENGE**

**THIS HAS BEEN PROVED IN THE LAST FEW  
YEARS.**



The more difficult task is the next topic and that is :-

**Ability of SAFCEC members to assist with capacity building, skills training and the Transformation and empowerment agenda**

**But before we discuss let's look at where we are and how we can use the current situation to meet these challenges.**

**What are our challenges?**

I am sure that every delegate here has their own list but in my view the five fundamental ones are:-

**Roads** - without these we cannot get our exports out the country

**Rail** – an efficient rail system will reduce the cost of maintenance on the roads and facilitate the exports of our raw materials. (In the long term we must look at local beneficiation of our Raw Materials).

**Water** - without water we all die

**Sewage** - right now we do not treat all the sewage produced to international standards. This ultimately could destroy our water supply.

**Power** – Without Power we cannot develop and in spite of the construction of the current power Stations we should be starting to build the next nuclear Power Station.

To meet these challenges we need skills so,  
let's look at that:-

## Skills

**Yes - skills shortage**

**but**

**we do have an enormous pool of expertise available to  
tap into.**

## Skills cont

**Most engineering and construction retirees would welcome the challenge**

**These people could and would mentor the young graduates if the conditions were right.**

**Losing skills to other countries**

**Major construction companies working outside South Africa.**

**Why**

**Survival**

**No training of local (South African) skills**

**No enterprise development.**

# **SAFCEC Diamond Academy training programme**

**- on HOLD**

**No work for graduates.**



## What is the Solution

**We have it !!!!!!!!**

**Unfortunately this is not true : –**

**No individual or Organisation has the solution**

**Collectively we can find a workable solution.**

**Past behind us and rebuild trust**

**Done by actions not words.**

**No “one size fits all” solution.**

**Look outside the box**

**Utilise all our expertise to achieve Governments objectives of new jobs**

**and**

**Business's objective of maintaining our fast deteriorating position as the main industrial country in Africa.**

**Both if these objectives will benefit every citizen of South Africa in the long run.**

## What do we do NOW

**Sit down and based on an area (or economic) needs analyses determine the best model for each situation.**

**These models in turn must be broken down to a level where practical solutions can be found.**

**Every project may need different modis operandi for execution.**

**Traditional way of working -**

**Job creation in 18 to 24 months' time**

**We cannot wait that long.**

**Look at other models**

**Look at international trends**

**Design Build**

**Lumpsum Turnkey and**

**Target Cost projects and others**

**Essential that a portion of skills development is built into each model in a coordinated manner based on the needs of the country going forward..**

## SAFCEC 'S Role

**As an employer organisation we can make a significant contribution in facilitation of the job creation process.**

**Provision of resources**

**Facilitation of the implementation of the various models.**

## SAFCEC 'S Role cont

**Need opportunity to sit around a table with the decision makers.**

**Isolate one or two projects on a trial basis**

**Not looking for major project as a test**

**Minor one that can give experience and know-how for future.**

**At minimal cost to the Tax payer.**



**We are fully committed to the government's infrastructure programme delivering on all its objectives and transforming the Civil Engineering Industry.**

**We are available to work with Government and CESA to achieve a WIN WIN situation.**

**We need to start this process tomorrow if not sooner.**

**This process cannot be implemented in a conference.**

**We know that Government has carried out considerable research of the most critical challenges in the Country.**

**We ask that they share this information to enable us to come up with draft action plans for a possible solution**

**We can discuss these plans with a small Government working committee.**

**This small group MUST come up with an immediate action plan for implementation.**

**We believe that this can be done over the next two to three months so that by the end of this year we can see some real action in creating jobs.**



**We can do it !**

**Questions ?**





**SAFCEC**

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**THANK YOU**

THE SOUTH AFRICAN FEDERATION OF CIVIL ENGINEERING CONTRACTORS